



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 15, 2014

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To: Supervisor Don Knabe, Chairman
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Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

REPORT BACK ON RFP PROCESS FOR THE HALL OF ADMINISTRATION CAFETERIA (ITEM NO. 11, AGENDA OF APRIL 15, 2014)

On April 15, 2014, Supervisors Ridley-Thomas and Antonovich directed the Chief Executive Officer (CEO) to work with the Department of Public Health (DPH) and the Internal Services Department (ISD), and report back within 30 days with a proposed approach and timeline to launch a new, fair and competitive Request for Proposals (RFP) to operate the Kenneth Hahn Hall of Administration (HOA) cafeteria. In collaboration with DPH and ISD, this office has developed a proposed framework.

We suggest an RFP process that is similar to the recent cafeteria RFPs approved by the Board at the Department of Health Services and Department of Public Works headquarters. DPH would play an instrumental role in reviewing menus, calories, and other nutritional data, as well as contract compliance. ISD would provide guidance on the County's procurement guidelines and ordinances.

After consulting with DPH and ISD, we suggest including the following requirements in the RFP:

- At least 50 percent of entrees, side items, snacks, desserts, and beverages must meet DPH's Concession Nutrition Standards (Attachment 1). In addition, for entrees and side items, 50 percent must be made with whole grains, if applicable. Fruits and vegetables must also be offered in accordance with DPH's Concession Nutrition Standards. Food and beverage items meeting the Concession Nutrition Standards including water, fruit, and healthy snacks must receive high profile placement, while candy and other sugar-based snacks must be in low profile areas.

"To Enrich Lives Through Effective And Caring Service"

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- A variety of culturally diverse foods must be provided that cater to the multi-ethnic population of employees and the public.
- DPH and CEO staff will review the vendor's price schedule. The objective will be to maintain pricing that is fair and reasonable compared to similar nearby retail operations, and shall not exceed 110 percent of pricing at similar nearby retail operations. The prices of healthy entrees, side items, snacks, desserts, and beverages shall not exceed the price of other menu options.
- All proposers must comply with County contracting policies including the Living Wage Ordinance and other applicable ordinances.
- DPH approval is needed before an item can be included in the menu.
- Nutritional data and signage that promotes healthy food and beverage options shall be posted in a conspicuous location.
- DPH inspections of the facilities and services can occur at anytime.
- The cafeteria shall receive an inspection grade from DPH that is not less than an "A." A grade of "B" requires immediate action and correction with an improved grade within 3-7 days. Financial penalties and/or debarment can be imposed by CEO-Real Estate Division (CEO-RED), due to sanitary and hygiene violations.
- EBT cards are to be accepted in accordance with procedures established by the Office of the Treasurer and Tax Collector (TTC).
- Existing cafeteria employees shall be interviewed and strongly considered for new employment opportunities at the cafeteria.
- Rent credits may be issued by CEO-RED for the use of reusable kitchenware and adherence to the Los Angeles Food Policy Council's guidelines.

Pending completion of the detailed project plan, a preliminary, high-level timeline to implement the requested RFP is as follows:

- May-June 2014: Collaboration between CEO, DPH, ISD, TTC, and County Counsel
- July 2014: Prepare Project Plan

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- August–September 2014: Prepare RFP and applicable documents
- October–November 2014: Issue/Post RFP and receive proposals
- December 2014–January 2015: Evaluate proposals
- January–March 2015: Negotiate terms and return to the Board with a Contract award recommendation

The schedule set forth above is consistent with the Countywide Contracting Process and RFP Work Flow document (Attachment 2) published by ISD in the Services Contracting Manual.

We will be examining ways to foster wellness and healthy consumption habits, while making the cafeteria opportunity financially viable for prospective proposers. For example, it may be more appealing for a prospective service provider if they were granted an opportunity to offer their food services at events held in Grand Park or other catering opportunities. The idea of offering cooking classes and wellness seminars may be a way to promote healthy consumption behavior, and build customer loyalty for the proposer. Our office may recommend that the Board consider gratis use of the HOA Cafeteria as a means of attracting a qualified vendor who can satisfy DPH's Concession Nutrition Standards, adhere to the Living Wage Ordinance, while maintaining reasonable menu pricing to sustain a viable customer base.

We anticipate submitting the Project Plan to the Board in July 2014.

If you have questions, your staff may contact Christopher Montana at (213) 974-4200, or email cmontana@ceo.lacounty.gov.

WTF:RLR
CMM:KW:ls

Attachments

- c: Executive Office, Board of Supervisors
County Counsel
Internal Services
Public Health
Treasurer and Tax Collector

Concession Nutrition Standards

Food Category	Food Category Standards
Entrée	<ul style="list-style-type: none"> ▪ Require at least 50% of entrées¹ meet the following nutrition standards: <ul style="list-style-type: none"> ○ No more than 35% of calories from fat. ○ No more than 10% of calories from saturated fat. ○ 0g trans fat. ○ No more than 500 calories. ○ No more than 600 mg of sodium. ▪ Recommend at least one vegetarian entrée per meal service.
Side Item	<ul style="list-style-type: none"> ▪ Require at least 50% of side items² meet the following nutrition standards: <ul style="list-style-type: none"> ○ No more than 35% of calories from fat. ○ No more than 10% of calories from saturated fat. ○ 0g trans fat. ○ No more than 250 calories. ○ No more than 360 mg of sodium.
Snacks/Desserts	<ul style="list-style-type: none"> ▪ Require at least 50% of snacks/desserts³ meet the following nutrition standards: <ul style="list-style-type: none"> ○ No more than 35% of calories from fat (excluding legumes, nuts, nut butters, seeds, eggs, non-fried vegetables, and cheese packaged for individual sale). ○ No more than 10% of calories from saturated fat (excluding eggs and cheese packaged for individual sale). ○ 0g trans fat. ○ No more than 35% sugar by weight (with the exception of fruits and vegetables that have not been processed with added sweeteners). ○ No more than 250 calories per individual food item or package if a pre-packaged item. ○ No more than 360 mg of sodium per individual food item or package if a pre-packaged item. ○ At least 2g fiber per individual food item or package if a pre-packaged item, if food item is grain/potato-based. ▪ Recommend, if dessert is served, dessert items should contain less or no added sugars. Examples include desserts prepared with fruits, vegetables, nuts, seeds, apple sauces, and yogurts without added sugars.
Condiments	<ul style="list-style-type: none"> ▪ Require at least two healthy salad dressing options, including one low-sodium, low-calorie, low-fat, cholesterol-free creamy salad dressing and one vinaigrette salad dressing.

¹Entrées are menu options presented as main dishes, such as omelets, pancakes, meats/fish, pastas, sandwiches, or specialty salads.

²Side items are menu options presented as side dishes, such as rice, bread/rolls, potatoes, beans, soup, side salads, fruits and vegetables.

³Snacks/desserts refer to packaged or portioned items not presented as entrées or side items and include chips, crackers, pretzels, trail mix, granola bars, yogurt, bakery items, pudding, ice cream, and fresh or processed fruits and vegetables.

	<ul style="list-style-type: none"> ▪ Recommend low-sodium, low-calorie, low-fat, cholesterol-free, and low-sugar condiment options.⁴
Beverages	<ul style="list-style-type: none"> ▪ Require at least 50% of beverages meet the following nutrition standards: <ul style="list-style-type: none"> ○ Drinking water (including carbonated water products). ○ 100% fruit juice without added sweeteners. ○ 100% vegetable juices labeled as “low sodium.” ○ Milk products, including 1%, non-fat, soy, rice and other non-dairy milk without added sweeteners. ○ Sugar-sweetened⁵ or artificially sweetened beverages that do not exceed 25 calories per 8 ounces.
Fruit	<ul style="list-style-type: none"> ▪ Require at least three fresh fruit options per meal service, served without added sweeteners. ▪ Recommend, if canned or frozen fruit is purchased, fruit should be packaged in its own juice or water, with no added sweeteners.
Vegetables	<ul style="list-style-type: none"> ▪ Require at least two non-starchy vegetable⁶ items per meal service, prepared without fat or oil. For the hot lunch service, at least one vegetable option must be a steamed, baked, or grilled non-starchy vegetable, seasoned, without fat or oil. ▪ Recommend if canned or frozen vegetables are purchased, select products that are labeled “low sodium” or “no salt added.”
Grains	<ul style="list-style-type: none"> ▪ Require at least 50% of entrées, when applicable, be made with whole grains.⁷ ▪ Require at least 50% of side items, when applicable, be made with whole grains.
Protein	<ul style="list-style-type: none"> ▪ Recommend: <ul style="list-style-type: none"> ○ Purchase extra lean and/or lean meat.⁸ ○ Minimize the purchase of processed meats.
Dairy	<ul style="list-style-type: none"> ▪ Recommend: <ul style="list-style-type: none"> ○ Purchase low-fat or non-fat yogurt and cheese. ○ Purchase cheese labeled “low sodium.” ○ Purchase yogurt with no added caloric sweeteners or yogurts labeled as “reduced sugar” or “less sugar.”

These standards were developed from reputable sources including the United States Department of Agriculture, the Food and Drug Administration, as well as other leading health organizations.

⁴A condiment is a food that requires no additional preparation and that is used on a food item, such as relishes, spices, sauces, confections or seasonings.

⁵Sugar-sweetened beverages include all sodas, fruit drinks, sport drinks, low-calorie drinks and other beverages that contain added caloric sweeteners, such as sweetened tea, rice drinks, bean beverages, sugar cane beverages and nonalcoholic wines.

⁶Non-starchy vegetables are vegetables that are not defined as starchy vegetables. Starchy vegetables include potatoes (excluding sweet potatoes and yams), corn, and peas.

⁷Grain-based foods are considered whole grain when the first ingredient listed on the ingredient list is a whole grain. Whole grain ingredients include brown rice, buckwheat, bulgur, millet, oatmeal, quinoa, rolled oats, whole-grain barley, whole-grain corn, whole-grain sorghum, whole-grain triticale, whole oats, whole rye, whole wheat, and wild rice.

⁸Extra lean is defined as no more than 5% total fat. Lean is defined as no more than 10% total fat.

Countywide Contracting Process
Request for Proposals (RFP) Work Flow

The timeframes associated with the tasks listed below are projections for routine solicitations (RFPs). These timeframes will vary considerably (from 41 to 49 weeks or longer) based on the responsiveness of external reviewers, complexity of the solicitation, number of proposals received, available resources and number of protests submitted by vendors. More specifically, solicitations for information technology, health/human services, and social services will have extended timeframes due to the nature of these types of services (i.e., multiple resultant contracts, large vendor pools resulting in extraordinarily larger number of proposals received, funding source requirements, negotiations, etc.).

1. Strategic Acquisition Planning: 3-4 weeks
 - Establish work team, identify timelines, objectives, responsibilities, service requirements
 - Perform necessary market research
 - Identify potential vendors and prepare bidder's list
 - Identify evaluators
2. RFP Development: 6-7 weeks
 - Draft RFP (Evaluation criteria, modify sample contract, develop Statement of Work, Appendices, etc.)
 - Identify appropriate insurance requirements
 - Identify date and time for Proposer's Conference – work out details for the conference (i.e., location, sound, recording, etc.)
 - Develop evaluation document and instructions
 - Internal and external review of RFP (County Counsel, CEO Risk Management, applicable labor unions, etc.)
 - Release RFP
 - Start drafting power point presentation for Proposer's Conference
3. Solicitation Requirements Review: 1-2 weeks
 - First time a vendor can protest the process. If request is received, conduct review and respond to contractor in writing. Make modifications to RFP, if warranted, after review is conducted.
4. Vendor Questions: 2 weeks
 - Receive questions from vendors and send to appropriate subject-matter expert for research and response.

Countywide Contracting Process

Request for Proposals (RFP) Work Flow

5. Proposer's Conference: 2 weeks
 - Develop and finalize Power Point Presentation for Proposer's Conference.
 - Identify individuals that will be presenting information and answering questions.
 - Conduct conference.
6. Addendums to RFP: 2 weeks
 - Identify the need to issue addendums and prepare them, as needed.
 - Prepare and issue questions and answers, in writing, to all vendors that attended the Proposer's Conference, if it was mandatory, or post the document as an addendum on the County's website.
7. Receive Proposals: 1-3 weeks
 - Conduct initial review of proposals received for compliance with minimum requirements.
 - Contact references to confirm compliance with minimum requirements and check the County's website for debarred vendors.
 - Identify disqualified vendors and send out disqualification letters. Allow reasonable amount of time for responses.
8. Disqualification Review: 2 weeks
 - Next step of the Protest Policy process. If request is received, conduct review and respond to contractor in writing.
9. Evaluation of Proposals: 7-9 weeks
 - Hold pre-evaluation meeting with evaluators.
 - Distribute proposals, evaluation worksheets, and instructions to evaluators.
 - Complete reference checks and Contractor Alert Reporting Database (CARD).
 - Perform analysis of financial statements.
 - Perform Living Wage analysis, if applicable.
 - Facilitate evaluation meeting to discuss ratings/scores.
 - Coordinate oral presentations or site visits, if applicable.
 - Prepare final evaluation scoring worksheet to summarize scores.
 - Work with appropriate staff to prepare cost analysts for Prop A contracts only (i.e., internal finance staff, Auditor-Controller, etc).
 - Identify highest rated proposal and make selection/non-selection notifications.

Countywide Contracting Process

Request for Proposals (RFP) Work Flow

10. Debriefings: 2 weeks

- Offer and conduct debriefings for non-selected vendors. Explain scores and available protest process.

11. Protest, Negotiations and Release of Public Records: 6-7 weeks

- Receive and file any Notices of Intent to Request a Proposed Contractor Selection Review (PCSR) (next step in Protest Policy process).
- Conduct negotiations, explain expectations of contractual and operational contractual terms to selected vendor.
- Finalize negotiations, obtain Letter of Intent (firm offer) from recommended vendor(s) and send out PCSRs with any appropriate documents to vendors who submitted Intents to protest (vendor has 10 calendar days to request PCSR).
- Receive, review and respond to PCSRs within identified timeframes. Send PCSRs to Independent Reviewer for review and determination.
- Independent Review will be facilitated by ISD. The review will be conducted by an individual with service contracting knowledge and experience. This review will be based on documents submitted by the protesting vendor and department.

12. Contract Preparation: 7 weeks

- Prepare final contract
- Prepare and finalize Board letter with applicable attachments.
- Obtain internal and external (i.e., County Counsel, CEO Risk Management, etc.) departments of Board letter and proposed contract.
- Prepare briefing documents for Department Head and Cluster Agenda Review meeting.
- Review final contract with proposed vendor and obtain signatures.
- Attend Cluster Agenda Review meeting, if applicable.
- File Board letter and contract.
- If delegated authority requested, finalize and execute contracts.